

2018/2019 MANAGERIAL REPORT

LEE COUNTY WATER SUPPLY CORPORATION LEE COUNTY WATER SUPPLY CORPORATION AGAIN THANKS ITS CUSTOMERS FOR THEIR PATRONAGE AND WANTS YOU TO KNOW THAT WE WILL CONTINUE TO WORK VERY HARD TO PROVIDE YOU WITH THE BEST QUALITY WATER AND SERVICE WE CAN POSSIBLY PROVIDE.

NO CONCERNS HAVE GONE UNATTENDED NOR WILL THEY IN THE FUTURE.

LEE COUNTY WSC HAS MADE GREAT STRIDES IN THE WATER INDUSTRY OVER THE PAST FEW YEARS AND WILL CONTINUE TO PURSUE WAYS TO BETTER SERVE YOU THE CUSTOMER.

WOULD ALSO LIKE TO THANK OUR EMPLOYEES FOR THEIR DEDICATION TO THEIR WORK AND THE PUBLIC RELATION WORK THEY PERFORM WITH OUR CUSTOMERS AND VENDORS.

THANK YOU TO OUR BOARD OF DIRECTORS FOR THEIR TIRELESS EFFORTS AND HARD WORK THEY PUT FORTH INTO THIS CORPORATION ON BEHALF OF THE MEMBERSHIP, MANAGEMENT AND STAFF.

SIGN OF THE TIMES – Lee County WSC continues to grow at times it seems to be faster than anticipated however we continue to stay ahead of the curve. Although we still have issues that need to be addressed we continue to work towards addressing and solving as many of these issues as physically possible.

There seem to be an above average amount of old homesteads being sold off and sub divided these days, folks are trying to get away from the hustle and bustle of the Austin area and move to the east for peace and quiet, this increases demands on our system.

As Native Residents of Lee, Bastrop, Fayette or Washington Counties you may not appreciate this growth but these are the **SIGNS OF THE TIMES**.

PROJECTS COMPLETED

Phase 11 remaining project would be the completion of Country Corner exterior coating along with the Paige #3 exterior coating.

PHASE 11 SYNOPSIS

Project will consist of coating interiors and exteriors of all elevated and GST (Ground Storage Tanks) the coating we are using on these tanks should take us out 25 to 30 years. This will take the tanks built in Phases 4 & 9 well into the future surpassing their loan age by years.

We also propose to install a 12" SDR 21 line from FM 2239 down CR 211 to FM 448. Also, a 12" main from the Serbin Plant site on CR 208 to FM 2239 through the Ball Park. This will strengthen the area to the south and southwest, aka; Winchester, Warda as well as the FM 153 corridor and all points in between. Again, this is an extension of the previous project (Phase 10). There is a possibility if we do not run into any unforeseen circumstances that there may be enough funding remaining in this project to pursue the slight color issue at the Country Corner site.

TANK COATING

Typically tank coatings have a 10 to 12-year life span. We were able to expand the life span to approximately 17 years with our annual tank cleaning regimen. We have changed direction in coating this time using a Carboline product to further our future coating life to a minimum of 25 to 30 years.

Interior coating system; Near-white metal blast cleaning, Carboline Reactamine to minimum 30.0 mils dry thickness. A Carboline Reactamine system for existing galvanized tanks to a minimum dry thickness of 40.0 mils. **Exterior coating;** consist of a 3500-psi pressure wash with a Carboline Rust Bond 1 to 2 mils over entire tank surface. Basically, this is a bonding primer to existing coating that will allow the **Top Coat** Carboline series Carbocrylic to a dry film thickness of 9.0 mils to adhere better to existing coating. The idea is to prolong the life of the exterior coating without the cost of shrouding and blasting the external shell of the tanks at this time.

FUTURE PROJECT

METER REGISTER REPLACEMENT

Beginning in March 2018 Lee County WSC began the replacement of over 4,200 existing 3G registers with new 4G technology registers which allows us to go fixed base in the future. This should take the Corporation to 2027 to 2029 before performing its next system wide meter change out. This change has also taken us from the old Data Collection software, to web-based Harmony. Project completed March 2019.

TXDOT Hwy 290

TXDOT dividing of Hwy 290 west of Giddings from FM 2104 in Paige to just east of Altman Plants. This project consists of moving as well as upgrading water lines from 8" to 12" - 2" to 6" - 6" to 8" and 4" to 6". TXDOT reimburses for same size replacement that is in private easement. Work completed July 2019. Final administration completion should be complete by first quarter 2020.

PREVIUOS RATE INCREASE

JANUARY 2011 LEE COUNTY WSC IMPOSED ITS FIRST-RATE INCREASE IN FOUR YEARS. THIS WOULD BE THE FIRST TIME THIS CORPORATION HAS GONE INTO WHAT IS CALLED A PROGRESSIVE BILLING. MANY OTHER WSC'S IN THE STATE HAVE BEEN USING THIS METHOD FOR YEARS; THE EPA (ENVIRONMENTAL PROTECTION AGENCY) FIRST BROUGHT THIS METHOD OF BILLING TO THE ATTENTION OF ALL WATER SUPPLIERS AROUND 1995 AS A CONSERVATION METHOD. THE IDEA BEHIND THE PROGRESSIVE BILLING IS THE MORE YOU USE THE MORE YOU PAY, IN OTHER WORDS THOSE THAT USE MORE PAY MORE. THE CONSERVATION THOUGHT BEHIND THIS METHOD IS THAT PERHAPS CUSTOMERS WILL CURTAIL THEIR USAGE DUE TO THE HIGHER COST OF EACH LEVEL

EXAMPLE:

MINIMUM WENT FROM \$30.00 TO \$32.00 PER MONTH

THOSE USING BETWEEN 0-----3,000 GALLONS REMAINED @ \$3.50 PER 1,000 GALLONS.

THOSE USING AN ADDITIONAL 3,001-----10,000----- @ \$4.00 PER 1,000 GALLONS

THOSE USING ABOVE 10,001-----@ \$4.50 PER 1,000 GALLONS

2016 RATE INCREASE

As of January 2016, Lee County WSC raised its minimum Bill from \$32.00 Per Month to \$35.00 Per Month. All other fees remained the same.

TEAM LEE COUNTY WATER WSC

"Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishment toward organizational objectives. It is the fuel that allows common people to attain uncommon results."

"Great things are done by a series of small things brought together"

"Coming together is a beginning... Keeping together is progress... Working together is a success."

"To stand apart from the competition, you must first stand together as a team."

"Problems become opportunities when the right people join together."

"The strength of the team is in each individual member... the strength of each member is in the team."

"When a team of dedicated individuals makes a commitment to act as one...the sky's the limit."

"It is our differences that bring us together. It is our differences that make our ideas more meaningful. It is our differences that create a team that is one of a kind."

"Be strong enough to stand alone, be yourself enough to stand apart, but be wise enough to stand together when the time comes."

"Stand together as a team. With integrity, vision, and determination together you will succeed where others cannot."

"It is a fact that in the right formation, the lifting power of many wings can achieve twice the distance of any bird flying alone."

STARTS AND ENDS WITH ATTITUDE

"Excellence is not a skill. It is an attitude."

"Attitude is a little thing that makes a big difference."

"A positive attitude causes a chain reaction of positive thoughts, events and outcomes. It is a catalyst...a spark that creates extraordinary results."

"Ability is what you're capable of doing. Motivation determines what you do. Attitude determines how well you do it."

"It is our attitude at the beginning of a difficult task which, more than anything else, will affect its successful outcome."

"It's not what happens to you that determines how far you will go in life; it is how you handle what happens to you."

"The day is what you make it! So why not make it a great one?" - Steve Schulte

"It's not the load that breaks you down, it's the way you carry it."

"Believe you can and you are halfway there."

"Take time out every day to be thankful for the people in our lives that drive us toward the path of success and for those that have helped us get to where we are today. Have an attitude of gratitude."

COMMITTEE ASSIGNMENTS 2018-2019

1. BUDGET COMMITTEE
2. CREDENTIALS COMMITTEE

EMERGENCY RESPONSE

LEE COUNTY WSC CONTINUES TO UPDATE ITS EMERGENCY RESPONSE PLAN. WE ARE ALSO TEAMED UP WITH **RWEAC** (RURAL WATER EMERGENCY ASSISTANCE COOPERATIVE) WHICH HAS NOW JOINED FORCES WITH **TXWARN** (TEXAS WATER/WASTEWATER AGENCY RESPONSE NETWORK), A MEMBER OF **WATERISAC** (WATER INFORMATION SHARING AND ANALYSIS CENTER) WHICH PROVIDES UPDATED EMERGENCIES IN THE WATER INDUSTRY HAPPENING ON A DAILY BASIS.

HURRICANE PREPAREDNESS

Lee County Water Supply Corporation monitors NOAA (National Oceanic and Atmospheric Administration) on a consistent basis during hurricane season to stay as prepared as possible for any upcoming weather event.

BANK DRAFTS – AS OF DECEMBER 2018 **1,478** CUSTOMERS ARE TAKING ADVANTAGE OF THE BANK DRAFTS (ACH) LEE COUNTY WSC OFFERS ITS CUSTOMERS.

CREDIT CARD – IN 2019 LEE COUNTY WSC TEAMED UP WITH HEARTLAND BILLING SOLUTIONS TO MAKE CREDIT CARD PAYMENTS AVAILABLE ON-LINE FOR THE CONVENIENCE OF OUR CUSTOMER. HEARTLAND HAS BEEN INTAGRATED INTO OUR WEB SITE www.leecountywater.com TO ALLOW EISIER ACSES FOR OUR CUSTOMERS TO MAKE PAYMENTS. FOR THOSE NOT ABLE TO USE THE INTERNET THEY HAVE THE ABILITY TO CALL 1-877-208-6067 AND PAY BY PHONE. AS OF YEAR END 2019 THERE WERE **201** CUSTOMERS USING THIS METHOD OF PAYMENT.

PAYMENT BOXES - THESE ARE FOUND AT THE MAIN ENTRANCE TO THE OFFICE AND A DRIVE BY DROP-OFF BOX AT THE MAINTENANCE BUILDING WHICH HAS LIGHTING FOR THE SAFETY OF OUR CUSTOMERS AND OFFERS THE ABILITY TO PAY WITHOUT GETTING OUT OF YOUR VEHICLE DURING INCLEMENT WEATHER OR AT NIGHT.

WEB PAGE

Lee County WSC also teamed up with Rural Water Impact to create a new web site www.leecountywater.com this new web page allow our staff to make daily changes as well as the new integrated bill payment. This site also allows our customers the ability to sign up for instant ALERTS and NOTIFICATIONS.

VIEW YOUR BILLS

Lee County WSC now offers through its billing system (AVR) the ability to view your bills at any time as well as the ability to request through your own online account with AVR paperless billing.

AWARDS

1. OUTSTANDING WATER SYSTEM 1996-2019
2. SUPERIOR WATER SYSTEM 1996-2019

LEE COUNTY WSC CONTINUES TO GROW, COVERING 533.050 Sq. MILES OF CCN (CERTIFICATE OF CONVENIENCE AND NECESSITY) WITH 750 MILES OF PIPE. AS OF OCTOBER, 2019, WE WERE SERVING 4,114 METER UNITS, UP FROM 4,064 AS OF THE SAME TIME OCTOBER 2018. THIS IS A GAIN OF 50 UNITS OVER THE LAST YEAR. THE 4,114 UNITS IS EQUALED TO A POPULATION OF 12,342 IN OUR SERVICE AREA.

LEE COUNTY WSC SOLD 280,058,890 GALLONS OF WATER FROM OCTOBER 2018 TO SEPTEMBER 2019 COMPARED TO 278,459,170 FROM OCTOBER 2017 TO SEPTEMBER 2018. AVERAGE UNACCOUNTED WATER LOSS OCTOBER 2018 TO SEPTEMBER 2019 WAS 6.66% COMPARED TO 6.10% THE PREVIOUS YEAR.

AVERAGE CONSUMPTION AND COST PER UNIT IN THE 2019 FISCAL YEAR THE AVERAGE CUSTOMERS MONTHLY USAGE WAS APPROXIMATELY 5,673 GALLONS SLIGHTLY UP FROM 5,573 THE PREVIOUS YEAR, THIS AVERAGED OUT TO A MONTHLY BILL OF \$57.15 UP FROM \$56.91 IN 2018. THE AVERAGE ANNUAL USAGE PER CUSTOMER WAS UP FROM 66,873 GALLONS TO 68,081 IN 2019. THIS BROUGHT THE ANNUAL AVERAGE COST PER HOUSEHOLD THIS PAST YEAR TO \$685.80 UP FROM \$682.72 THE PREVIOUS YEAR. OUR AVERAGE CUSTOMER SPENT \$1.87 PER DAY COMPARED TO \$1.87 PER DAY LAST YEAR FOR APPROXIMATELY 189 GALLONS OF WATER PER DAY PER CUSTOMER.

MANAGEMENT WOULD LIKE TO THANK OUR EMPLOYEES FOR ANOTHER GREAT YEAR. THERE HAVE BEEN SOME NEW AND YOUNG EMPLOYEES BROUGHT IN OVER THE PREVIOUS YEARS TO HELP WITH FUTURE LEADERSHIP OF THE CORPORATION. WE ARE EXCITED TO SEE WHAT THEY ALL BRING TO THE TABLE AND THE DIRECTION THEY WILL PROVIDE FOR THE FUTURE GENERATIONS OF LEE COUNTY WSC.

MANAGEMENT IS VERY PROUD OF THE WORK OUR EMPLOYEES HAVE ACCOMPLISHED THIS PAST YEAR. IT'S BEEN A VERY BUSY YEAR DUE TO THE PHASE PROJECT, METER REPLACEMENT PROJECT, TXDOT PROJECT. THE INCREASING AMOUNT OF TCEQ, EPA, PUC AND WATER DEVELOPMENT BOARD RULES AND REGULATION NOT TO MENTION THE INCREASED SAMPLING THAT IS REQUIRED.

LEE COUNTY WSC CUSTOMERS SHOULD BE PROUD TO KNOW THAT THERE ARE CONSCIENTIOUS OPERATORS AND EMPLOYEES LIKE THESE TAKING CARE OF YOUR NEEDS ON A DAILY BASIS.

WE TRY AND MAKE OUR WORK PLACE MORE OF A FAMILY ATMOSPHERE WHERE WE WORK AS A CLOSE-KNIT FAMILY AND TEAM.

SPECIAL THANKS TO OUR BOARD OF DIRECTORS FOR THEIR TIRELESS WORK AND EFFORT THAT IS PUT INTO THEIR POSITIONS AS WELL AS THE CONSCIENTIOUS EFFORT PUT FORTH BY EACH AND EVERY ONE OF THEM TO WORK AS A TEAM TO BETTER SERVE THIS CORPORATION.

MANAGEMENT ALONG WITH STAFF WOULD LIKE TO THANK EACH AND EVERYONE OF YOU FOR BEING APART OF OUR LEE COUNTY WATER SUPPLY CORPORATION FAMILY AND TEAM AS WE LOOK FORWARD TO ANOTHER GREAT YEAR TOGETHER.

YEARS OF SERVICE

OFFICE STAFF

GENERAL MANAGER	CLARENCE SCHIMANK	<u>42 YEARS OF SERVICE</u>
ASSISTANT GENERAL MANAGER	WADE B. DANE	<u>36 YEARS OF SERVICE</u>
ADMINISTRATIVE ASSISTANT	JANE SCHIMANK	<u>39 YEARS OF SERVICE</u>
CLERICAL	AMY MAGNUSON	<u>.4 YEARS OF SERVICE</u>
OFFICE ASSISTANT	KAREN HOELSCHER	<u>6 YEAR OF SERVICE</u>

FIELD STAFF

F.S.-CLASS "C" OPERATOR C.S.I. CERTIFICATE/CDL	BARRY ZOCH	<u>21 YEARS OF SERVICE</u>
CLASS "C" OPERATOR CDL W/HAZMAT CLASS "C" OPERATOR/	RICKY JATZLAU	<u>20 YEARS OF SERVICE</u>
CSI/CDL W/HAZMAT CLASS "C" OPERATOR/	KEVIN CARTER	<u>6 YEAR OF SERVICE</u>
CSI/CDL W/HAZMAT CLASS "C" OPERATOR/	MICHEAL GRIFFITH	<u>6 YEARS OF SERVICE</u>
CSI/CDL W/HAZMAT CLASS "C" TRAINEE	TRAVIS JOHNSON	<u>3 YEAR OF SERVICE</u>

MACHINE OPERATPORS

LEAD MACHINE OPERATOR CDL	DAN ISELT	<u>20 YEARS OF SERVICE</u>
MACHINE OPERATOR CDL	FREDDY BLACKMAN	<u>2 YEARS OF SERVICE</u>
MACHINE OPERATOR TRAINEE	LOGN LEE	<u>.4 YEARS OF SERVICE</u>

TOTAL

201.8 YEARS OF SERVICE

AMERICAN CANCER SOCIETY FUND RAISER

GIVING BACK TO OUR COMMUNITY

YES SIR, ITS THAT TIME AGAIN FOR THE LEE COUNTY WATER SUPPLY CORPORATIONS 7TH ANNUAL HAMBURGER LUNCH MAY 6, 2020 FROM 11:00AM TO 1:00PM HERE AT OUR FACILITIES.

PLEASE COME OUT AND HELP SUPPORT OUR EFFORTS TO **STOMP OUT CANCER.**

IF YOU WOULD LIKE TO SIGN UP TO HELP, JUST LET US KNOW AND WE WILL PUT YOU TO WORK.

WE PROMISE THREE THINGS, 1) WE HAVE AS MUCH FUN AS WE POSSIBLY CAN. 2) IT WILL BE FAST AND FURIOUS. 3) THE HEART FELT REWARD IN YOUR HEART WILL BE WORTH EVERY SECOND.

SO, COME ON OUT AND SUPPORT THIS GREAT EVENT PUT ON BY SOME REALLY SPECIAL FOLKS.

IF YOU LIKE TO BAKE, WE ARE ALSO LOOKING FOR BAKED GOODS TO SELL IN OUR BAKE SALE ON THAT DAY.

WATER FACTS

- THE UNITED STATES USES NEARLY 80% OF ITS WATER FOR IRRIGATION AND THERMOELECTRIC POWER.
- APPROXIMATELY 85% OF U.S. RESIDENTS RECEIVE THEIR WATER FROM PUBLIC WATER FACILITIES.
- AMERICANS USE FIVE TIMES THE AMOUNT OF WATER THAT EUROPEANS USE.
- TWO THIRDS OF THE WATER USED IN A HOME IS USED IN THE BATHROOM.
- AN AVERAGE SHOWER LAST 8.2 MINUTES AT 17.2 GALLONS OF WATER.
- TO BRUSH YOUR TEETH USES 1 TO 2 GALLONS/MINUTE, WITH FAUCET OFF .25 GALLONS.
- FOR AN AUTOMATIC DISHWASHER 6 TO 16 GALLONS OF WATER.
- A BATH ON AVERAGES USES 36 GALLONS OF WATER.
- HANDS/FACE WASHING 1 GALLON.
- FACE/LEG SHAVING 1 GALLON.
- DISH WASHING BY HAND 8-27 GALLONS
- CLOTHES WASHING 15 TO 25 GALLONS/LOAD.
- TOILET FLUSH 1.6 TO 3 GALLONS
- OUTDOOR WATERING 2 GPM AT MINIMUM PRESSURE PER LOCATION. To provide your lawn with one inch of water takes a little over half a gallon per square foot (0.623 gallon to be more exact). That means that every 10'x10' area will require over 62 gallons of water. That doesn't sound like much until you consider that a 100' x 100' lawn uses 6,230 gallons of water every time you turn on the sprinklers!
- A SMALL DRIP FROM A FAUCET CAN WASTE AS MUCH AS 19.84 GALLONS OF WATER PER DAY.
- LESS THAN 1% OF THE WATER TREATED BY PUBLIC WATER SYSTEMS IS USED FOR DRINKING AND COOKING.
- EACH DAY THE SUN EVAPORATES A TRILLION TONS OF WATER.
- A QUARTER OF THE WORLDS POPULATION IS WITHOUT SAFE DRINKING WATER
- A PERSON CAN LIVE ABOUT A MONTH WITHOUT FOOD, BUT ONLY ABOUT A WEEK WITHOUT WATER.
- TODAY, AT LEAST 400 MILLION PEOPLE LIVE IN REGIONS WITH SEVERE WATER SHORTAGES.

WATER FACTS

WATER ISSUES WE FACE TODAY

You have all read and heard all the pros and cons when talking about water marketers. I'm not going to give you an opinion one way or the other, here's my thought. "There is a certain amount of safe drinking water on this earth and we as a whole have decided to take it and throw it on the ground to water our grass and flower beds and then we turn around and mow the grass at least once a week and then what do we do? That's right, we water it again only so we can turn around and mow it again and again and again." Now who's to blame for our water problems? We continue to build new Sub Divisions with beautiful lawns and flower beds with no thought to where and how we will continue to supply this luxury, yes, that's right, luxury. Sixty to seventy percent of the water that is used today is being used outside the home. If you think it's bad now Senator Charles Perry, Chairman of the Texas Senate committee on Water and Rural Affairs says between 2020 and 2070 we will see 70% growth state wide which would increase the Texas population to 51 million. How will we possibly meet the water needs of 51 million people when we are struggling to meet the needs of 29 million to date? There are several counties in Texas that have no water and are having to bring water in from other areas in the state. If you think this problem is in the future you are dead wrong, it's now.

Do Your Part to Conserve Water

1. Water your yard thoroughly, but only as needed—usually no more than 1 inch, once a week.
2. Use drip irrigation for plants and gardens, and water early in the morning to minimize evaporation.
3. Collecting rainwater for landscape use is great for the plants and can save you water and money.
4. Install aerators to cut in half the amount of water used by each faucet.
5. Fix faucet leaks, which can waste over 7,000 gallons of water a year per household.
6. Install water-efficient plumbing fixtures to reduce water consumption by 25% to 60% and save energy.
7. Check your toilet by using a leak-detection dye tablet. Leaks can waste up to 200 gallons of water per day.
8. Replace older toilets with water-efficient models and save up to 4,000 gallons of water per year.
9. Washing only full loads of laundry can save an average household more than 3,400 gallons of water each year.
10. Invest in an ENERGY STAR-qualified clothes washer, which typically uses 50% less water and 30% less energy per load.

